Guideline

Income Tax Withholding W-2/1099 Upload

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Tax Commissioner

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Introduction

Welcome to the North Dakota Income Tax Withholding W-2/1099 Upload service! W-2/1099 Upload is a free web-based program for submitting W-2 and 1099 information. The purpose of this guideline is to explain the features and advantages of the upload system, instruct users how to register on-line and use the system, and provide instructions that explain the Information Returns.

Eligible Users. Any employer that holds a valid North Dakota Income Tax Withholding account is eligible to upload W-2 and 1099 information. If you have not yet registered for an Income Tax Withholding account, you must apply and receive your account number before you register for W2/1099 Upload. To apply for an Income Tax Withholding account, go to www.nd.gov/tax and click on **Income Tax Withholding > Forms** on the left hand side of the page. Then click on *Sales/Use Tax Permit and Income Tax Withholding Application*.

Advantages of W-2/1099 Upload. The following W-2/1099 upload features will help make filing your Income Tax Withholding Information Returns on-line easier and more efficient than paper:

- Availability: You can register for W-2/1099 upload and file Income Tax Withholding Information Returns 24 hours a day, 7 days a week.

- Login ID: W2/1099 Upload uses North Dakota's Login ID system, which allows you to use the same ID and password for other Internet services provided by the Tax Commissioner's Office and other state agencies. The Login ID provides you the ability to identify and control which employees or outside professionals have access.

- Security: W2/1099 Upload uses Secure Sockets Layer (SSL) encryption technology to ensure your information is secure and protected.

- Paper and postage: All registration and return filing is completed on-line. There is no more paper to shuffle, no postage to pay, and no mail delays to worry about.

- Once registered, you can upload files for multiple accounts without additional registration requirements.

- If W-2/1099 Information Returns are uploaded, or filed by another electronic means, a Form 307 Reconciliation Return is not required.

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Filing Method

The following is the electronic method available to upload your Income Tax Withholding Information Returns.

- **W-2/1099 Upload.** The Income Tax Withholding Information Return is uploaded through the Electronic Filing website. When using the upload feature, you are not required to send in paper forms or submit the information by other electronic means (CD; Floppy Disk; E-mail; etc.). In addition, if the Information Return is submitted electronically, you do not file a Form 307 Reconciliation Return.

Navigating and Entering Data in W-2/1099 Upload

As you navigate through the W-2/1099 Upload system and enter data, please remember these tips:

- Use the buttons provided in the application (i.e., Continue, Edit, Save, etc.) to navigate. All application buttons are located at the bottom of each page. Do not use your browser's Back and Forward buttons.

- For your convenience, a Main Menu link and Logout link are located near the top of each page.

Registration Process

Registration for W-2/1099 Upload is a quick, three-step process: (1) Obtain a North Dakota Login ID; (2) Register your account to obtain authorization code; and, (3) Complete registration by entering the account number and authorization code.

Each person (user) needs only one Login ID for all on-line applications. Any user that already has a Login ID should go directly to Step 2 to begin using Withholding Information Returns Upload.

When registering an account for W-2/1099 Upload, use your business's withholding account. If you do not have a withholding account, but will be submitting W-2/1099 information for other businesses, please contact our office to obtain a transmitter account number specifically for the W-2/1099 Upload registration.

After your account is registered in Step 2, the Tax Commissioner mails an authorization code to the individual registering the account to the mailing address the Tax Commissioner has on file. This step prevents any unauthorized user from registering an account that he or she should not have access to. When the registration is completed in Step 3, only the user that registered the account in Step 2 may use the authorization code mailed by the Tax Commissioner's Office. Any authorized user may obtain another authorization code on-line so that an additional user may access that account.

In addition, any authorized user may terminate another authorized user's access to an account by selecting the View Authorized Users option on the main menu. This option allows an employer to remove access to the system for outside professionals or employees that no longer should have access.

Step 1: North Dakota Login ID (Go to http://www.nd.gov/tax/indwithhold/elecfiling/ and click Access W-2/1099 Upload)

A. Click Register Now.

B. Complete the *Sign Up* page.

C. Click Create Login.

D. You will receive a confirmation e-mail within a few seconds.

E. You must respond to the e-mail by clicking on the link provided and entering your password.

F. Your North Dakota Login ID is now ready to use. Go to Step 2.

Step 2: Register Income Tax Withholding Account (Go to http://www.nd.gov/tax/indwithhold/elecfiling/ and click Access W-2/1099 Upload)

A. Sign in by entering your Login ID and password.

B. Enter the account number you want to register. Use your own account number to register. If you do not have a withholding account, but need to register to submit for other accounts, please contact our office.

C. Click Continue.

D. Based on the name and address displayed, verify you have selected the correct account.

E. Enter your e-mail address and enter your name in the Attention Name box.

F. Click Submit.

G. You will receive a confirmation page.

H. An authorization code will be mailed to the mailing address on file at the Tax Commissioners Office.

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Step 2: Register Income Tax Withholding Account (Continued)
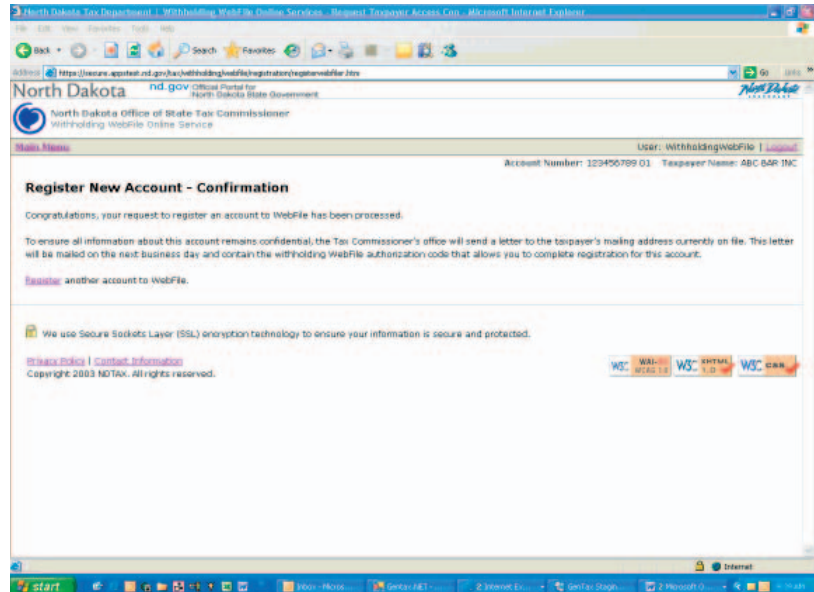
Important Note: After you complete Step 2, Register Income Tax Withholding Account, an authorization code will be mailed to you at the mailing address we have on file for the account you are registering. When you register for W-2/1099 Upload, please allow sufficient time (we recommend two weeks) for the authorization code to reach you by mail.

Step 3: Complete Registration (Go to http://www.nd.gov/tax/indwithhold/elecfiling/ and click Access W2/1099 Upload)

A. Sign in by entering your Login ID and password.

B. Scroll to the *Complete Registration* section of the page.

C. Enter the account number and authorization code you received in the mail.

D. Click Submit.

E. You will receive a confirmation page. You now have access to all W-2/1099 Upload features for this account.

Main Menu

Once a user has completed registration for an account, that user may access all the features of W-2/1099 Upload from the *Main Menu*. Please note that the user ID of the person logged onto the system, the account number and business name of the account is always displayed near the top of the screen.

Main Menu - Continued
Upload W-2

Upload W-2

Click on this option to upload the file containing the W-2 information.

Action
Click Browse to search for the location of the file you wish to upload. Once the file is selected, click Upload. You will see a confirmation page identifying the W-2 information was successfully uploaded.

Click on Main Menu for additional options, including uploading additional files.

Important Note: If there was an error with the file, that error will be identified in red at the top of the page. Please note that in the event of an error message, the file was not submitted to our office. Please correct the error and resubmit the file.

Important Note: The file must be formatted according to the specifications in the Social Security Administration's publication Magnetic Media Reporting and Electronic Filing (MMREF-1)

Main Menu - Continued
Upload 1099

Upload 1099

Click on this option to upload the file containing 1099 information.

Action
Click Browse to search for the location of the file you wish to upload. Once the file is selected, click Upload. You will see a confirmation page identifying the 1099 information was successfully uploaded.

Click on Main Menu for additional options, including uploading additional files.

Important Note: If there was an error with the file, that error will be identified in red at the top of the page. Please note that in the event of an error message, the file was not submitted to our office. Please correct the error and resubmit the file.

Important Note: The file must be formatted according to the specifications in the Internal Revenue Service Publication 1220.

Main Menu - Continued
Register for Withholding

Register for Withholding

Click on this button to start the process to register a withholding account for Webfile. This will allow you to file quarterly returns online. For additional information see the Withholding Webfile Guideline at the following address: http://www.nd.gov/tax/indwithhold/pubs/withholdingwebfileguide.pdf

Main Menu – Continued
View Authorized Users

View Authorized Users.
Click this option to view all
users that are authorized to
access W-2/1099 Upload
for this account. By
selecting this option any
authorized user may delete
existing users or obtain an
authorization code for a
new user.

To authorize another user
to access this account, click
the Obtain an authorization
code for a new user link.
W-2/1099 Upload will
display a new authorization
code that you may give to
another user. The new user
will need to (1) obtain a
North Dakota Login ID (if
he or she does not already
have one), (2) log on to the
W-2/1099 Upload system,
and (3) enter the account
number and authorization
code at the Complete
Registration option. These
steps will provide access
to the new user for all
W-2/1099 Upload functions
for this account.

To discontinue access for
an authorized user, select
the Remove link next to the
user's name. The user's
name will be displayed. To
remove access for the user,
click the Remove button.
If you decide not to remove
access for the user, select
the Cancel button.

Important note: If you
are the only authorized user
and you click the Remove
link by your name and
then confirm that action
by selecting the Remove
button, the account will
no longer be registered for
W-2/1099 Upload because
there will be no authorized
users.

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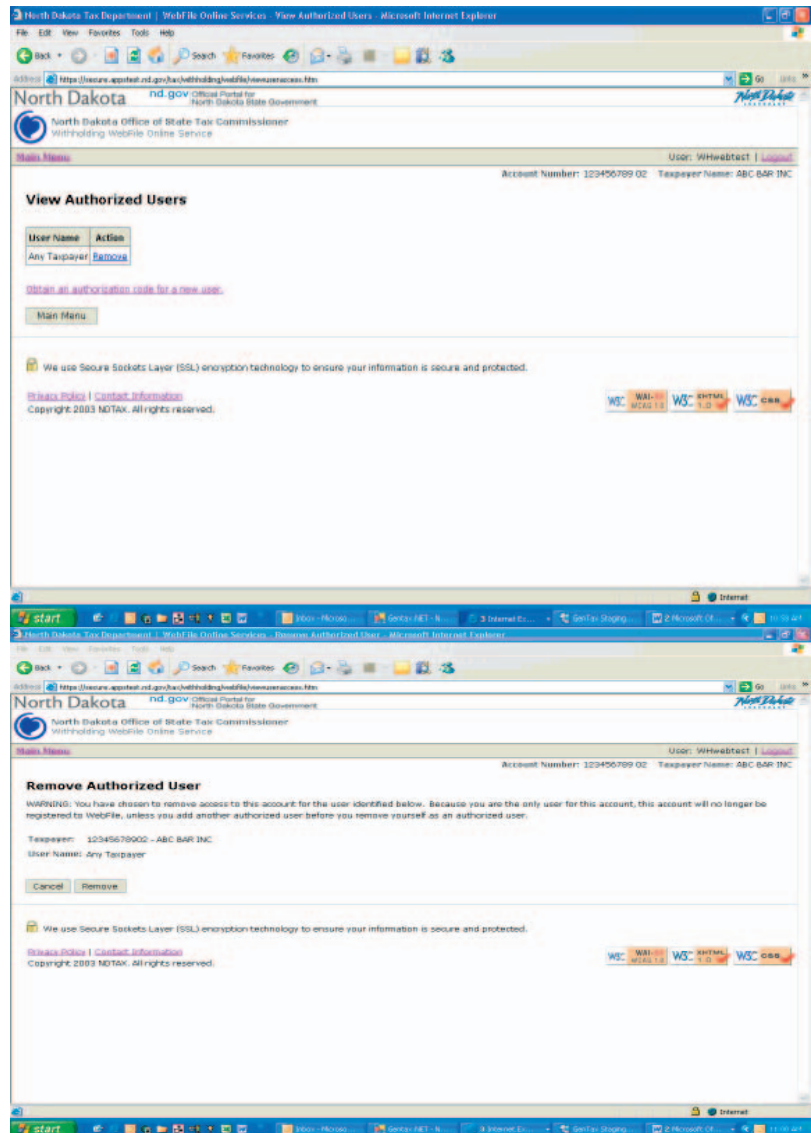
Penalty Provisions

If a return is not filed on or before the due date, the law provides penalty charges for the delinquency of $10.00 per document up to a maximum of $2,000.00.

Out of Business

The income tax withholding law requires a withholding account that is going out of business to file a final Form 307 and accompanying W-2 or 1099 forms at the same time you file your final Federal forms W-3 and W-2 with the Internal Revenue Service.

Cancel WebFile Registration

If you are going out of business or for any reason want to file paper income tax withholding information returns, you must cancel your W-2/1099 Upload registration for each account. To cancel complete the following steps:

- Login to the W-2/1099 Upload system.

- On the Main Menu, select View Authorized Users.

- In the Action column, click on remove. (**Important Note**: if there is more than one user, you must remove all other users before you remove your own user name.)

- On the Remove Authorized Users page, click the Remove button.

When you click on the Remove button for the last user, you will no longer be registered for W-2/1099 Upload and you will be returned to the Login ID page.

Need Assistance

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